

## PROPOSED CONSTITUTIONAL AMENDMENTS

### PROPOSED CONSTITUTIONAL AMENDMENT—TEXAS WATER DEVELOPMENT FUND

H. J. R. No. 9

Proposing an amendment to Article III, Constitution of the State of Texas, adding Section 49-d-1, broadening the powers of the Texas Water Development Board, increasing the authorized amount of Texas Water Development Bonds, providing for the deposit of bond sale proceeds, providing for a new interest rate limitation on all Texas Water Development Bonds, modifying the conditions and limitations on all financial assistance that may be provided by the Texas Water Development Board from the Texas Water Development Fund, providing obligations and terms that may be entered into by the Texas Water Development Board, providing for the incontestability of Texas Water Development Bonds, providing for anticipatory legislation, providing for submission of the amendment to the voters.

*Be it resolved by the Legislature of the State of Texas:*

Section 1. That Article III of the Constitution of the State of Texas be amended by adding thereto a new Section 49-d-1 to read as follows:

"Section 49-d-1. (a) In addition to Texas Water Development Bonds heretofore authorized to be issued by Sections 49-c and 49-d of Article III of the Constitution, the Texas Water Development Board is hereby authorized to issue \$3,500,000,000 in aggregate principal amount of bonds. No part of such additional bonds shall be issued prior to approval thereof by the vote of two-thirds of the elected members of both houses of the Legislature.

"(b) The proceeds from the sale of such bonds shall be deposited in the Texas Water Development Fund.

"(c) The bonds herein authorized and all bonds authorized by such Sections 49-c and 49-d of Article III shall bear such interest and mature as the Texas Water Development Board shall prescribe subject to the limitations as may be imposed by the Legislature.

"(d) The Texas Water Development Fund shall be used for the purposes heretofore permitted by and subject to the limitations in said Sections 49-c and 49-d and in addition thereto for the purposes of developing water resources and facilities for the State of Texas, both within the State of Texas and without the State of Texas. Provided, however, that financial assistance may be made pursuant to the provisions of such Sections 49-c and 49-d subject only to the availability of funds and without regard to the provisions in Section 49-c that such financial assistance shall terminate after December 31, 1982.

"(e) Under such provisions as the Legislature may prescribe, the Texas Water Development Board may receive grants and, in addition, execute contracts with the United States or any of its agencies, other states of the United States, foreign governments and others, for the acquisition and development of such water resources and facilities for the State of Texas. Such contracts when executed may be secured by the general credit of the state, and if so secured shall constitute general obligations of the State of Texas in the same manner and with the same effect as Texas Water Development Bonds. If facilities are acquired for a term of years, such contracts shall contain provisions for renewal that will protect the state's investment. The aggregate principal amount of Texas Water Development Bonds authorized herein and in said Sections 49-c and 49-d shall be reduced by the aggregate of principal payments committed under

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such contracts constituting general obligations of the state. The provisions hereof shall not be construed to limit the authority of the Texas Water Development Board to execute contracts or issue revenue bonds when such contracts or bonds are not secured by the general credit of the state.

"(f) Texas Water Development Bonds and such contracts secured by the general credit of the state shall after approval by the Attorney General, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas.

"(g) Should the Legislature enact enabling laws in anticipation of the adoption of this amendment, such Acts shall not be void by reason of their anticipatory character."

Sec. 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on Tuesday, August 5, 1969, at which election all ballots shall be printed to provide for voting for or against the proposition: "The constitutional amendment broadening the powers of the Texas Water Development Board and the purposes of the Texas Water Development Fund; eliminating the interest limitations on Texas Water Development Bonds; raising the authorized amount of Texas Water Development Bonds by \$3,500,000,000; extending the maturity schedule on Texas Water Development Bonds; eliminating the procedures for curtailment and the curtailment date of financial assistance to be provided by the Texas Water Development Board."

Sec. 3. The publication of this amendment shall be limited to Sections 1 and 2 of this Resolution.

Adopted by the House on March 4, 1969: Yeas 131, Nays 15; that the House refused to concur in Senate amendments to H. J. R. No. 9 on April 2, 1969, and requested the appointment of a Conference Committee to consider the differences between the two Houses; and that the House adopted the Conference Committee Report on H. J. R. No. 9 on April 8, 1969: Yeas 137, Nays 4; adopted by the Senate, with amendments, on March 27, 1969: Yeas 29, Nays 1; at the request of the House, the Senate appointed a Conference Committee to consider the differences between the two Houses; and that the Senate adopted the Conference Committee Report on H. J. R. No. 9 on April 9, 1969: Yeas 28, Nays 2.

Signed by the Governor April 17, 1969.